



SL Green Realty Corp. And Morgan Stanley Real Estate Funds Announce The Sale Of 180 Madison Avenue

New York, NY - April 6, 2005 - A joint venture comprised of SL Green Realty Corp. (NYSE:SLG) and Morgan Stanley Real Estate Fund III, L.P. ("MSREF") announced today that it has entered into an agreement to sell the fee interest in 180 Madison Avenue for \$92.7 million, or approximately \$350 per square foot. The joint venture purchased the asset in December 2000 for \$41.2 million and expects to recognize a gain of approximately \$40 million from the sale. After giving effect to SL Green's incentive fees within the joint venture, the Company is entitled to 68% of all cash proceeds in excess of debt repayment.

180 Madison Avenue represents the last property to be sold through SL Green's highly successful joint venture with MSREF. Formed in 1999, the joint venture completed four acquisitions totaling \$150 million. Properties jointly bought and sold have included 90 Broad Street, 469 7th Avenue, 321 West 44th Street and finally 180 Madison Avenue.

The partners continue to pursue opportunities through a second joint venture between SL Green and the City Investment Fund, an affiliate of MSREF. Acquisitions under the new joint venture arrangement include 19 West 44th Street and 485 Lexington Avenue.

Marc Holliday, President and Chief Executive Officer of SL Green said, "The sale of 180 Madison will allow SL Green to realize significant gains from the final transaction in our highly successful joint venture with Morgan Stanley Real Estate. We look forward to continuing our relationship with Morgan Stanley through the City Investment Fund."

Michael Franco, Managing Director and Head of MSREF Domestic, said, "SL Green's track record of successful, profitable transactions and its specific expertise in the New York City office market have been a great complement to our investment strategy. The success of our joint venture underscores our combined strengths, and we look forward to continuing to invest alongside SL Green going forward."

Brian Ezratty and Peter Hauspurg of Eastern Consolidated Properties, Inc. and Douglas Harmon of Eastdil Realty represented the seller in the transaction.

Company Profiles

SL Green Realty Corp. is a self-administered and self-managed real estate investment trust, or REIT, that predominantly acquires, owns, repositions and manages a portfolio of Manhattan commercial office properties. The Company's portfolio consists of 29 properties aggregating approximately 17.4 million square feet. SL Green Realty Corp. is the only publicly held REIT that specializes exclusively in this niche geographic market. To be added to the Company's distribution list, or to obtain the latest news releases and other Company information, please visit our website at www.slgreen.com or contact Investor Relations at 212-216-1601.

Morgan Stanley Real Estate Fund III is part of Morgan Stanley Real Estate, which is comprised of three major global businesses: Investing, Banking, and Lending. Since 1991, Morgan Stanley has acquired more than \$52 billion of real estate assets worldwide and currently manages \$29.3 billion in real estate assets on behalf of its clients. Using its own capital, Morgan Stanley also originates upwards of \$7 billion in commercial mortgages annually. In addition, Morgan Stanley Real Estate provides a complete range of investment banking services including merger, acquisition and restructuring advisory and recapitalizations, as well as public and private debt and equity financing. Morgan Stanley established its real estate organization in 1969.

Forward-looking Information

This press release contains forward-looking information based upon the Company's current best judgment and expectations. Actual results could vary from those presented herein. The risks and uncertainties associated with forward-looking information in this release include the strength of the commercial office real estate markets in New York, competitive market conditions, unanticipated administrative costs, timing of leasing income, general and local economic conditions, interest rates, capital market conditions, tenant bankruptcies and defaults, the availability and cost of comprehensive insurance, including coverage for terrorist acts, and other factors, which are beyond the Company's control. We undertake no obligation to publicly update or revise any of the forward-looking information. For further information, please refer to the Company's filing with the Securities and Exchange Commission.

CONTACT

Gregory F. Hughes
Chief Financial Officer
(212) 594-2700

or

Michelle M. LeRoy
Vice President, Investor Relations
(212) 594-2700